

UNITED STATES DEPARTMENT OF COMMERCE

National Oceanic Atmospheric Administration National Marine Fisheries Service P.O. Box 21668 Juneau, Alaska 99802-1668

January 18, 2018

Brad Orr, District Ranger Tongass National Forest 8510 Mendenhall Loop Rd Juneau, Alaska 99801

> Re: Environmental Assessment (EA) for Kensington Mine 2018 - 2022 Mineral Exploration

Dear Mr. Orr:

This letter responds to the U.S. Forest Service's (USFS) request for comments on the Kensington Mine 2018 - 2022 Mineral Exploration EA which will permit Coeur Alaska, Inc. (Coeur) to drill exploratory holes near the Kensington Gold Mine for five years. The National Marine Fisheries Service (NMFS) offers conservation recommendation per our authorities under the Essential Fish Habitat (EFH) provisions in section 305(b)(4)(A) of the Magnuson-Stevens Fishery Conservation and Management Act (MSA). That same section requires federal agencies to consult with NMFS on all actions that may adversely affect EFH.

During the exploratory drilling operations covered by this EA, a helicopter sling loads the drill rig to the chosen location, thereby avoiding new road construction. The drill team constructs a 30 foot by 30 foot wooden drill platform and one or two above ground or shallow lined sumps to contain drilling fluids. The completed holes are from 500 - 3000 feet deep. Once the drill core is extracted, the hole is backfilled and capped, the platform and sump(s) are removed, and the area is restored; the process takes two to four weeks. The EA will permit Coeur to drill up to 15 holes each year; the number is usually much lower. This EA replaces annual Categorical Exclusions which made analyzing cumulative effects difficult.

Alaska's Anadromous Waters Catalog indicates that coho, chum and pink salmon are present in Johnson and Sherman Creeks, while Sweeney Creek has coho and pink salmon and steelhead trout. Coeur's exploration activities during the next five years will happen in these three watersheds and the exact locations of the exploratory holes will be presented to USFS staff by January 31 of each year. USFS resource specialists use the location information to perform site specific analysis of effects for that year's drill locations.

The risk to EFH associated with exploratory drilling is from drilling fluids, petroleum products or extremely turbid water being spilled at the drill site and flowing downslope into surface waters. The water needed to operate the drill is pumped from the nearest stream and this action could dewater a stream. The EA contains measures to decrease the likelihood of these negative effects occurring. USFS and Alaska Department of Natural Resources have proactive monitoring and reporting requirements.

EFH Conservation Recommendations

NMFS offers the following EFH Conservation Recommendations pursuant to section 305(b)(4)(A) of the MSA.

- Locate drill holes a minimum of 50 meters from the nearest water source; this distance matches the Tongass National Forest policy.
- Once specific hole locations are identified and USFS fisheries biologist have evaluated the likelihood of adversely affecting fish habitat, USFS staff will promptly notify NMFS of the location if their analysis suggested a likelihood of adversely affecting EFH.

If these two EFH conservation recommendations are included in the Final EA, then NMFS concurs that the process outlined for identifying and mitigating the impacts of exploratory drilling will conserve EFH. If they are not included, NMFS requests that the USFS staff prepare an EFH assessment for each drill location and consult with NMFS each year. Under section 305(b)(4)(B) of the MSA, the USFS is required to respond to NMFS in writing within 30 days. If you have any questions regarding our EFH Conservation Recommendations for this project, please contact Sean Eagan at sean.eagan@noaa.gov or (907) 586-7345.

Sincerely, Kabul Merum

James W. Balsiger, Ph.D. Administrator, Alaska Region

Cc: Brad Orr, USFS, borr@fs.fed.us Curtis Canton, USFS, curtislcanton@fs.fed.us Neil Stichert, USFWS, neil_stichert@fws.gov Steve Brockmann, USFWS, steve_brockmann@fws.gov Jackie Timothy, ADFG, jackie.timothy@alaska.gov